

Message Text

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ORIGIN EUR-12

INFO OCT-01 ISO-00 SSO-00 NSCE-00 INRE-00 ICAE-00
SP-02 AID-05 EB-08 NSC-05 TRSE-00 SS-15 STR-07
OMB-01 CEA-01 COME-00 CIAE-00 INR-10 NSAE-00 H-02
HA-05 NEA-11 /085 R

DRAFTED BY EUR/EE:SFROMOWITZ:JF
APPROVED BY EUR/EE:CWSCHMIDT
-----111285 162332Z /61

O 162203Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY BUCHAREST IMMEDIATE
AMEMBASSY BUDAPEST IMMEDIATE
INFO AMEMBASSY LONDON IMMEDIATE
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LONDON FOR VEST, AGGREY, AND LUERS

E.O. 11652: GDS

TAGS:EGEN, SHUM, RO, HU

SUBJECT: HOUSE TRADE SUBCOMMITTEE HEARINGS ON MFN FOR ROMANIA AND HUNGARY

1. SUMMARY - DURING HEARINGS JUNE 15 BEFORE TRADE SUBCOMMITTEE OF HOUSE WAYS AND MEANS COMMITTEE, ADMINISTRATION AND CONGRESSIONAL WITNESSES STRONGLY ENDORSED PRESIDENT'S RECOMMENDATIONS TO RENEW TRADE AGREEMENT WITH ROMANIA, EXTEND UNCLASSIFIED

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THE SECTION 402 WAIVER AUTHORITY FOR ANOTHER YEAR AND EXTEND MFN WAIVERS FOR HUNGARY AND ROMANIA. IN ADDITION TO CHAIRMAN VANIK, CONGRESSMEN STEIGER AND JONES PARTICIPATED IN PORTIONS OF THE HEARINGS. CONGRESSMEN HAMILTON, FINDLEY AND DERWINSKI OF THE HIRC APPEARED AS WITNESSES AND WERE PARTICULARLY HELPFUL IN UNDERLINING THE IMPORTANCE OF MAINTAINING MFN FOR ROMANIA AND IN ENDORSING THE ADMINISTRATION'S FOREIGN POLICY RATIONALE FOR THE PRESIDENT'S RECOMMENDATIONS. CONGRESSMAN DODD OF HIRC CONDEMNED VARIOUS ASPECTS OF ROMANIAN EMIGRATION AND HUMAN RIGHTS PERFORMANCE BUT SAID THAT

ON BALANCE HE ALSO ENDORSED MFN EXTENSION OF TRADE AGREEMENT RENEWAL. (STATE 153115 (NOTAL) REPORTS DODD-VANIK EXCHANGE ON RAUTA CASE.) VARIOUS NONGOVERNMENTAL WITNESSES CRITICIZED ROMANIAN HUMAN RIGHTS, EMIGRATION AND MINORITY POLICIES AND OPPOSED FURTHER EXTENSION OF MFN. TUDOR CLAIM AND BONDHOLDER CASES WERE ALSO RAISED BY PRIVATE WITNESSES.

SUBCOMMITTEE WILL GIVE ALL WITNESSES UNTIL JUNE 22 TO ENTER ADDITIONAL DOCUMENTS IN THE RECORD AND THEN WILL PREPARE REPORT TO FULL COMMITTEE. END SUMMARY

2. SUBCOMMITTEE CHAIRMAN CHARLES VANIK OPENED THE HEARINGS WITH A PREPARED STATEMENT. FOCUSING ON ROMANIA, VANIK NOTED THE GENERALLY UPWARD TREND IN ROMANIAN EMIGRATION TO THE UNITED STATES OVER THE YEARS, BUT COMMENTED THAT IT TENDED TO BE CYCLICAL, TENDING TO DROP BETWEEN CONGRESSIONAL HEARINGS, THEN RISING AS HEARINGS APPROACH. VANIK POINTED TO THE DECLINE IN EMIGRATION FROM ROMANIA TO ISRAEL BUT SAID THAT EMIGRATION TO WEST GERMANY WAS UP. VANIK ALSO COMMENTED ON CUMBERSOME ROMANIAN EMIGRATION PROCEDURES AND SPOKE OF HARASSMENT OF SOME APPLICANTS. IN THE CONTEXT OF RENEWAL OF THE US-ROMANIAN TRADE AGREEMENT, VANIK NOTED THAT ROMANIAN EXPORTS TO THE US OF MANUFACTURED UNCLASSIFIED

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PRODUCTS SUCH AS SHOES AND TEXTILES WERE INCREASING.

3. VANIK'S OPENING STATEMENT WAS FOLLOWED BY BRIEF REMARKS BY WILLIAM STEIGER, RANKING SUBCOMMITTEE REPUBLICAN, AND JAMES JONES, DEMOCRAT OF OKLAHOMA, THE ONLY OTHER SUBCOMMITTEE MEMBER PRESENT. STEIGER EXPRESSED CONCERN ABOUT THE LACK OF ROMANIAN RESPONSIVENESS TO DATE IN MTN ON US NON-TARIFF BARRIER REQUESTS. JONES SAID HE HAD SUPPORTED MFN FOR ROMANIA IN THE PAST, WAS NOW WORKING ON A HUMANITARIAN CASE WITH ROMANIAN AMBASSADOR NICOLAE, AND HOPES TO BE ABLE TO SUPPORT MFN FOR ROMANIA AGAIN.

4. TESTIMONY FOLLOWED BY ADMINISTRATION PANEL CONSISTING OF WILLIAM H. LUERS, DEPUTY ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS, DEPARTMENT OF STATE; EDWARD H. STROH, ACTING DEPUTY ASSISTANT SECRETARY FOR EAST-WEST TRADE, DEPARTMENT OF COMMERCE; GARY C. HUFBAUER, DEPUTY ASSISTANT SECRETARY FOR TRADE AND INVESTMENT POLICY, DEPARTMENT OF THE TREASURY; AND STEPHEN LANDE, ASSISTANT SPECIAL REPRESENTATIVE, OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS. THE FULL TEXT OF THEIR STATEMENTS IS BEING POUCHED TO EMBASSIES BUCHAREST AND BUDAPEST.

5. THE FIRST QUESTION TO THE ADMINISTRATION PANEL CAME FROM CONGRESSMAN JONES, WHO SAID THAT HE HAD BEEN WORKING FOR SOME TIME IN SEEKING TO HELP OBTAIN APPROVAL FOR A MARRIAGE CASE INVOLVING AN ISRAELI CITIZEN AND A ROMANIAN

CITIZEN. HE ASKED WHY IT WAS SO DIFFICULT TO OBTAIN APPROVAL IN SUCH CASES. LUERS RESPONDED THAT HE WAS NOT FAMILIAR WITH THE SPECIFIC CASE TO WHICH CONGRESSMAN JONES REFERRED, BUT THERE HAD BEEN GENERAL IMPROVEMENT IN OBTAINING APPROVAL FOR THE MARRIAGE APPLICATIONS OF WHICH WE WERE AWARE. LUERS SAID CONGRESSMAN JONES' CASE WOULD APPEAR TO

TO BE PRIMARILY A MATTER BETWEEN THE GOVERNMENT OF ROMANIA AND ISRAEL, BUT THE DEPARTMENT OF STATE WOULD BE GLAD TO UNCLASSIFIED

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TAKE AN INTEREST IF PROVIDED WITH FURTHER DETAILS. LUERS WENT ON TO POINT OUT THAT THE VAST MAJORITY OF ROMANIAN JEWS HAD ALREADY EMIGRATED, 300,000 HAVING LEFT FOR ISRAEL SINCE WORLD WAR II. WE CONTINUE TO BELIEVE THAT MORE WANT TO LEAVE THAN RECEIVE PERMISSION TO DO SO, BUT DO NOT KNOW THEIR EXACT NUMBER. WE DO KNOW THAT THE ISSUE HAS BEEN DISCUSSED BETWEEN ROMANIAN PRESIDENT CEAUSESCU AND ISRAELI PRIME MINISTER BEGIN, AND WE HAVE ENCOURAGED SUCH DISCUSSIONS.

6. JONES THEN ASKED TWO QUESTIONS ABOUT US MONITORING OF ROMANIAN EMIGRATION AND REPORTS TO CONGRESS. HE ALSO ASKED WHETHER THE ADMINISTRATION WAS PREPARED TO RECONSIDER ITS POSITION ON MFN FOR ROMANIA IF ROMANIAN EMIGRATION PERFORMANCE WERE NOT UP TO THE EXPECTED LEVELS. LUERS RESPONDED THAT WE CLOSELY MONITOR ROMANIA'S EMIGRATION AND WE ARE CURRENTLY REVIEWING THE PROGRESS ON CASES INCLUDED IN THE OFFICIAL REPRESENTATION LISTS SUBMITTED TO THE ROMANIAN FOREIGN MINISTRY ON MARCH 28. WE WILL BE SUBMITTING A NEW LIST TO THE MFA SHORTLY. OUR MONITORING INCLUDES EMIGRATION PROCEDURES AS WELL AS NUMBERS. WITH RESPECT TO PROCEDURES, WE NOTE A RECENT IMPROVEMENT IN THE ABILITY OF ROMANIANS TO OBTAIN THE NECESSARY APPLICATION FORMS. THE ADMINISTRATION REMAINS PREPARED, AS PRESIDENT CARTER STATED IN HIS MESSAGE TO THE CONGRESS BEFORE LAST YEAR'S HEARINGS, TO RECONSIDER ITS POSITION IN LIGHT OF ROMANIAN PERFORMANCE, AND ROMANIAN OFFICIALS ARE WELL AWARE OF THIS.

7. JONES THEN INQUIRED AS TO THE BASIS ON WHICH PRESIDENT CARTER HAD DETERMINED THAT ACTUAL OR FORESEEABLE REDUCTIONS IN US TARIFFS AND NON-TARIFF BARRIERS TO TRADE RESULTING FROM MULTILATERAL NEGOTIATIONS ARE SATISFACTORILY RECIPROCATED BY ROMANIA. LANDE OF STR RESPONDED THAT NEGOTIATIONS UNCLASSIFIED

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ARE STILL UNDERWAY, BUT THAT THE PRESIDENT HAD TO MAKE A DETERMINATION NOW BECAUSE OF THE JULY DEADLINE FOR DECIDING WHETHER TO EXTEND THE US-ROMANIAN TRADE AGREEMENT. ALTHOUGH ROMANIAN OFFERS SO FAR ARE NOT FULLY SATISFACTORY,

THE ROMANIAN GOVERNMENT IS AWARE OF ITS OBLIGATIONS AND OF THE ADMINISTRATION'S AND CONGRESS'S INTEREST. WE THEREFORE EXPECT A SATISFACTORY RESPONSE FROM THE ROMANIAN GOVERNMENT ON THIS POINT.

8. VANIK ASKED WHETHER MFN WAS UNDER CONSIDERATION FOR ANY OTHER COUNTRY. LUERS RESPONDED THAT NO OTHER COUNTRY HAS EXPRESSED INTEREST IN RECEIVING MFN UNDER THE TERMS OF THE JACKSON-VANIK AMENDMENT.

9. QUESTIONING OF THE PANEL WAS THEN SUSPENDED FOR TESTIMONY FROM ADDITIONAL CONGRESSIONAL WITNESSES. LEE HAMILTON, CHAIRMAN OF THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST OF THE HOUSE INTERNATIONAL RELATIONS COMMITTEE, GAVE A STRONG AND REASONED DEFENSE OF EXTENSION OF MFN TO BOTH HUNGARY AND ROMANIA AND OF RENEWAL OF THE US-ROMANIAN TRADE AGREEMENT. ASKED BY VANIK WHETHER THE VIEWS HE PRESENTED REFLECTED THOSE OF HIS SUBCOMMITTEE, HAMILTON RESPONDED THAT HE FELT SURE THAT HE WAS SPEAKING FOR THE MAJORITY OF HIS SUBCOMMITTEE AND FOR MANY MEMBERS OF THE FULL INTERNATIONAL RELATIONS COMMITTEE AS WELL. CONGRESSMAN PAUL FINDLEY EXTENDED BOTH HIS SUPPORT AND THAT OF CONGRESSMAN BILL FRENZEL, WHO WAS OUT OF THE COUNTRY, FOR EXTENSION OF THE WAIVER FOR BOTH HUNGARY AND ROMANIA. FINDLEY SAID THAT HE WAS SURE THAT SUCH A STEP ENJOYED BROAD BIPARTISAN SUPPORT. FINDLEY STRESSED ROMANIAN INDEPENDENCE FROM MOSCOW AND THE WARSAW PACT, NOTING THAT THIS COULD BE HELPFUL TO US INTERESTS DURING MANEUVERING IN EASTERN EUROPE IN THE POST-TITO PERIOD.

10. CONGRESSMAN EDWARD DERWINSKI GAVE STRONG SUPPORT TO CONTINUED EXTENSION OF MFN FOR ROMANIA. (HE DID NOT MENTION HUNGARY IN HIS ORAL STATEMENT, BUT HIS PREPARED STATEMENT NOTES THAT HE IS "LESS THAN ENTHUSIASTIC ABOUT MOST-FAVORED-NATION STATUS FOR HUNGARY".) DERWINSKI BASED HIS POSITION ON WHAT HE CALLED ROMANIA'S "LEGITIMATE" INDEPENDENCE FROM MOSCOW AND SAID THAT SELECTIVE USE OF MFN IS A GOOD WAY OF ENCOURAGING THIS. DERWINSKI COMMENTED THAT THE INTERNAL SITUATION IN ROMANIA LOOKS GOOD COMPARED TO COUNTRIES SUCH AS BULGARIA, EAST GERMANY, OR THE USSR. ON MINORITY RIGHTS, DERWINSKI SAID THAT THIS IS A CENTURIES-OLD PROBLEM CAUSED BY WHAT HE CALLED "ARTIFICIAL" BOUNDARY LINES, WHICH COULD JUST AS EASILY HAVE LED TO THE PROBLEM OF A LARGE ROMANIAN MINORITY IN HUNGARY. DERWINSKI SAID THE ROMANIAN SOLUTION TO THE PROBLEM MAY NOT BE PERFECT, BUT IT MUST BE RECOGNIZED THAT THIS IS AN INHERITED PROBLEM. DERWINSKI ALSO COMMENTED THAT HE HAD FOUND A QUIET APPROACH TO THE ROMANIAN GOVERNMENT ON FAMILY REUNIFICATION PROBLEMS TO BE THE MOST EFFECTIVE METHOD, RATHER THAN "PUBLIC DEMONSTRATIONS". DERWINSKI SAID HE DID NOT EXPECT

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ROMANIAN MFN TO BE DEBATED ON THE HOUSE FLOOR, BUT IF IT WERE, IT WOULD HAVE THE SUPPORT OF THE HOUSE INTERNATIONAL RELATIONS COMMITTEE.

11. IN RESPONSE TO A QUESTION FROM VANIK ABOUT THE TUDOR CLAIM, LUERS SAID THAT THERE WERE BASICALLY TWO QUESTIONS: WHETHER THE US SHOULD ESPOUSE THE CLAIM AND WHETHER THE CLAIM IS A VALID ONE. ON THE FIRST POINT, THE ROMANIAN GOVERNMENT SAYS THAT THE PROPERTY WAS NATIONALIZED IN 1944,

BEFORE TUDOR BECAME AN AMERICAN CITIZEN. THE US HAS NOT YET ESPOUSED TUDOR'S CLAIM. AS FOR THE CLAIM'S VALIDITY, WE ARE NOW LOOKING INTO THAT, HAVING RECEIVED A REPLY ON MAY 30 TO OUR MOST RECENT DIPLOMATIC NOTE. WE HAVE ASKED THE GOR FOR FURTHER DOCUMENTS THAT SHOULD SHED LIGHT ON UNCLASSIFIED

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THIS MATTER.

12. AFTER VANIK POINTED OUT THAT AT LEAST TWO WITNESSES WISHED TO RAISE QUESTIONS ABOUT ROMANIAN BONDS WHICH THEY HOLD, LUERS SAID THAT ROMANIA HAD SETTLED CLAIMS FOR BONDS DENOMINATED IN US DOLLARS. IT IS US POLICY NOT TO PURSUE CLAIMS REGARDING BONDS WHICH ARE NOT DENOMINATED IN US DOLLARS, AND IT WAS LUERS' UNDERSTANDING THAT THE WITNESSES' PROBLEMS FELL INTO THIS CATEGORY. LUERS NOTED, HOWEVER, THAT WE DO ENCOURAGE DISCUSSIONS BETWEEN SUCH BONDHOLDERS AND THE ROMANIAN GOVERNMENT.

13. ASKED ABOUT GROWING US IMPORTS OF ROMANIAN MANUFACTURES AND LITTLE APPARENT GROWTH OF US EXPORTS TO ROMANIA OF MANUFACTURES, STROH RESPONDED THAT WE AND THE ROMANIAN GOVERNMENT HAVE WORKED OUT MEANS TO LIMIT THE IMPACT OF SENSITIVE IMPORTS SUCH AS SHOES AND TEXTILES INTO THE US MARKET. AT THE SAME TIME, WHILE EXPORTS OF US MANUFACTURES TO ROMANIA WERE NOT INCREASING QUICKLY, THEY WERE SHOWING STEADY GROWTH.

14. BEFORE THE ADMINISTRATION PANEL WAS DISMISSED, LUERS ASKED TO MAKE A CLARIFYING COMMENT PROMPTED BY CONGRESSMAN DERWINSKI'S REFERENCE TO "ARTIFICIAL" BOUNDARIES. LUERS STATED THAT OUR INTEREST IN MINORITY QUESTIONS IN ROMANIA IN NO WAY IMPLIES THAT WE CONSIDER THE PRESENT BOUNDARIES OF ROMANIA ARE SUBJECT TO CHANGE. WE FIRMLY SUPPORT THE PRESENT BOUNDARIES OF ROMANIA. VANIK SAID HE FULLY UNDERSTOOD AND SHARED THIS VIEW.

15. OF THE SIXTEEN PRIVATE WITNESSES, SIX SPOKE STRONGLY IN FAVOR OF THE PRESIDENT'S RECOMMENDATIONS ON MFN AND THE TRADE AGREEMENT: MAX BERRY OF THE EAST-WEST TRADE COUNCIL; MILTON ROSENTHAL OF THE ROMANIAN-US ECONOMIC COUNCIL; GERALD WILLIAMS OF PROMETHEAN CORPORATION; GEORGE CRISAN

OF THE ROMANIAN BAPTIST ASSOCIATION; BARBU NICULESCU OF
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THE AMERICAN-ROMANIAN CULTURAL FOUNDATION; AND A "CITIZEN-PHILOSOPHER", DR. TITUS PODIA. IN RESPONSE TO VANIK'S QUESTION WHETHER THE ANNUAL REVIEW OF MFN POSED A PROBLEM FOR EXPANDING TRADE RELATIONS, ROSENTHAL NOTED THAT THE LIMITED EXTENSION OF MFN OBVIOUSLY MADE LONG-TERM PLANNING DIFFICULT FOR BOTH THE GOR AND ITS TRADE PARTNER. (WILLIAMS, CRISAN AND NICULESCU ALSO MENTIONED SUPPORT FOR MULTI-YEAR MFN IN THEIR ORAL TESTIMONY.)

16. SIX WITNESSES TESTIFIED CRITICALLY REGARDING ROMANIAN EMIGRATION PERFORMANCE, TREATMENT OF MINORITIES AND HUMAN RIGHTS PERFORMANCE IN GENERAL: ISTVAN GERESEN OF THE COMMITTEE OF TRANSYLVANIA; FATHER GALDAU OF THE AMERICAN ROMANIAN COMMITTEE FOR ASSISTANCE TO REFUGEES; JACOB BIRNBAUM OF THE CENTER FOR RUSSIAN AND EAST EUROPEAN JEWRY; CYRUS GILBERT ABBEE; FANNIE BIGIO; AND LASZLO HAMOS OF THE COMMITTEE FOR HUMAN RIGHTS IN ROMANIA.

17. GERESEN SAID THAT THERE WAS NO POSSIBILITY OF RELYING ON HUNGARY AND KADAR TO IMPROVE THE SITUATION OF THE HUNGARIAN MINORITY IN ROMANIA. HE ALSO CITED CEAUSESCU'S RECENT STATEMENT (TO THE EFFECT THAT THE PROBLEM OF MINORITIES IN ROMANIA COULD ONLY BE SOLVED IN BUCHAREST, AND NOT IN OTHER CAPITALS AS PROOF OF THE FUTILITY OF LOOKING TO THE CEAUSESCU-KADAR RELATIONSHIP FOR HELP. THE ONLY CHANCE OF IMPROVING THE CONDITIONS OF THE HUNGARIAN MINORITY HE SUGGESTED, WAS BY PRESSURE FROM THE UNITED STATES GOVERNMENT. IN SUM, GERESEN OPPOSED TRADE AGREEMENT RENEWAL AND EXTENSION ON MFN UNLESS AN IMPROVEMENT IN ROMANIAN PERFORMANCE TOWARD THE MINORITIES WERE MADE A CONDITION.

18. FATHER GALDAU MADE A SCATHING ATTACK ON ROMANIA'S
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HUMAN RIGHTS RECORD AND PLACED THE BLAME SQUARELY ON CEAUSESCU PERSONALLY. CITING VARIOUS EMIGRATION CASES (INCLUDING HIS OWN BROTHER'S) WITH WHICH HE WAS FAMILIAR, HE REFERRED TO BEATINGS AND FORCED STATEMENTS. HE CONCLUDED BY ALLEGING THAT THERE ARE NO HUMAN RIGHTS IN ROMANIA AND NO FREEDOM UNLESS CEAUSESCU PERSONALLY MAKES AN EXCEPTION.

19. BIRNBAUM NOTED THAT IN HIS THREE PREVIOUS TESTIMONIES TO THE SUBCOMMITTEE HE HAD, ON BALANCE, SUPPORTED EXTENSION OF MFN. THIS TIME, IN LIGHT OF CONTINUED ROMANIAN ABUSES, HE FELT HE COULD NOT. HE SUGGESTED INSTEAD THAT THE COMMITTEE USE ADDITIONAL LEVERAGE ON ROMANIA BY SUSPEND-

ING MFN FOR ONE YEAR. (VANIK RESPONDED FORCEFULLY TO THIS SUGGESTION BY SAYING THAT ANY SUSPENSION WOULD PROBABLY BE BOTH PERMANENT AND SELF-DEFEATING.) BIRNBAUM RECOMMENDED THAT THE US GOVERNMENT BECOME FAR MORE ACTIVE IN SUPPORT ON IMMIGRATION TO ISRAEL AND SUGGESTED THAT WE SEEK A ROMANIAN COMMITMENT TO RETURN TO THE EMIGRATION RATE OF 1973-1974, WHEN ABOUT THREE TO FOUR HUNDRED ROMANIANS DEPARTED TO ISRAEL EACH MONTH. HE ALLEGED THAT AS MANY AS FORTY-FIVE THOUSAND JEWS PROBABLY WOULD LIKE TO LEAVE ROMANIA.

20. CYRUS ABBE (WHOSE PROPOSAL TO INVOLVE THE EMBASSY IN MONITORING JEWISH EMIGRATION TO ISRAEL HAS BEEN REPORTED

SEPTTEL) CONDITIONED SUPPORT FOR EXTENSION OF MFN ON A WILLINGNESS TO HAVE THE STATE DEPARTMENT TAKE A GREATER ROLE IN MONITORING JEWISH EMIGRATION. HAMOS URGED THE SUBCOMMITTEE TO SUSPEND MFN AT LEAST TEMPORARILY IN LIGHT OF THE BRUTAL HUMAN RIGHTS VIOLATIONS BEING COMMITTED AGAINST THE HUNGARIAN MINORITY, ALLEGING THAT SAVAGE BEATINGS AND TORTURE HAD TAKEN PLACE SINCE THE LAST HEARING. RICHARD BRUSS OF THE LIBERTY LOBBY OPPOSED EXTENSION OF MFN AND RENEWAL OF THE TRADE AGREEMENT BECAUSE ROMANIA WAS AN ENEMY AND WE SHOULD NOT BE SUPPORTING OUR ENEMIES.
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21. THREE WITNESSES TESTIFIED ON OUTSTANDING CLAIMS AGAINST THE ROMANIAN GOVERNMENT: EDWARD MERRIGAN AND P. RIPOSANU IN BEHALF OF THE TUDOR CLAIM; DR. H. P. BECK IN BEHALF OF HIS OWN CLAIM FOR SETTLEMENT ON PRE-WAR ROMANIAN BONDS; AND MICHAEL JORDAN (WHOSE CLAIM AGAINST THE GOR FOR PRE-WAR BONDS IS KNOWN TO THE EMBASSY). MERRIGAN ALLEGED IN HIS TESTIMONY THAT ROMANIA WAS IN VIOLATION OF SECTIONS 402, 408, AND 502 OF THE TRADE ACT, AS WELL AS OF THE US-ROMANIAN CONSULAR CONVENTION, BY ITS FAILURE TO ACT ON THE TUDOR CLAIM. MERRIGAN ALSO REFERRED (WITH OBVIOUS IMPLICATION TO ROMANIAN MFN) TO THE ACTION TO WHICH CONGRESS HAD TAKEN IN 1974 WHEN CZECHOSLOVAKIA WAS FOUND TO HAVE FAILED SATISFACTORILY TO SATISFY US CLAIMS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 26 sep 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MFN, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE154083
Document Source: ADS
Document Unique ID: 00
Drafter: EUR/EE:SFROMOWITZ:JF
Enclosure: DG ALTERED
Executive Order: 11652 GDS
Errors: n/a
Expiration:
Film Number: D780252-1030
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197806115/baaaeyyr.tel
Line Count: 370
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: 61304f7e-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2177527
Secure: OPEN
Status: NATIVE
Subject: HOUSE TRADE SUBCOMMITTEE HEARINGS ON MFN FOR RO- MANIA AND HUNGARY
TAGS: EGEN, SHUM, RO, HU
To: BUCHAREST BUDAPEST MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/61304f7e-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014